

a free and self-reliant people, and must therefore be ascribed to a monetary condition, in almost servile dependence upon them.

All this has been strikingly exemplified in the entire acquiescence with which the suspension of the banks in September last was received by the people. For my own part, I have been unable to satisfy my mind, that this act of suspension was not needless, as it was arbitrary and unjust.

I am aware that the reason assigned—rather as an excuse than a justification—was the fear that the vaults of our banks would be drained of their specie by New York. I cannot in this plea recognize any special virtue. The specie, however small in amount, thus locked up, against the demands of New York creditors, was at the same time, has been, and is to this day, locked up with equal stringency, against the citizens of Maryland. And if they require any unusual amount, they are compelled to purchase it at a premium. I do not understand, that in a state of suspension the banks are any stronger with specie as a form of assets in their vaults, than they would be, with the specie all paid out, for the redemption of so much paper, and their remaining assets in another form. While I can readily conceive that in the latter case, they would have acquitted themselves honorably of their obligations, to the extent of their ability, and so have acquired a better title to public confidence in the future.

I am induced upon a review of the conduct and condition of the banking institutions of the State, exhibited in reference to the monetary exigency of the times, to commend to your consideration the duty of further legislation for the protection of the public interests and the promotion of the common welfare.

It is absolutely indispensable to a healthy financial condition, that the specie basis of all banks of issue, within the State should be greatly enlarged. And in accepting this as a first proposition, towards a radical reform, it will suggest the propriety of revision and reconstruction of our banking system. I think it will be found entirely consistent with the necessities of the times, and the experience of the people, that banks of issue should have an independent existence, under the most rigid legislation, and the constant scrutiny of official authority. And that other departments of the business of banking should be conducted under general laws, conferring no privilege of issue. I merely make the suggestion; the subject is one, which demands patient and intelligent consideration, and addresses itself to the stern patriotism of the representatives of the people.

In appropriate connection with this subject, I beg leave to express my cordial approval of the suggestion contained in the recent report of the present Secretary of the Treasury of the United States, that each of the States inaugurate a policy in conformity with that of the United States, for the collection of its entire revenue in coin. The advantages which would certainly flow from such a practice,